

**September 16, 2010**

*Bill Would Provide Loans in Rural Communities to Improve Energy Efficiency, Lowering Utility Bills and Spurring Job Creation*

*Part of "Make it in America" Initiative to Rebuild America's Manufacturing Base and Create New, High-Wage Jobs*

**WASHINGTON, DC** - Today, U.S. Rep. Michael Arcuri (NY-24) voted for legislation that will spur job creation in the new American clean energy industry and provide rural communities much needed relief from increasing costs for electric power. *The Rural Energy Savings Act (H.R. 4785),* or "Rural Star," will provide loans to homeowners and farmers in rural communities to improve their energy efficiency and lower their utility bills, creating American manufacturing and installation jobs in the process.

"Rural communities face unique challenges with access and affordability of electricity and continue to pay among the highest prices for energy in the country," **said Arcuri**. "The Rural Star program will provide loans to homeowners and farmers in rural communities for renovations to become more energy-efficient, which will boost the economy by creating manufacturing, retail and installation jobs while lowering energy bills."

The Rural Star program will offer loans of about \$3,000 to \$7,500 to eliminate the upfront cost of home energy upgrades. Individual co-ops or state-based groups of co-ops will apply to the Rural Utilities Service (RUS) of the U.S. Department of Agriculture (USDA), to borrow money to fund local energy efficiency programs that meet RUS energy savings standards. Co-ops will

use the money to make low-interest loans (under 3 percent) to consumers that sign up for the voluntary program.

Loans would be made for energy efficiency upgrades with a 10-year payback, and repaid on the consumer's utility bill. Participating consumers repay the co-ops for the installation and material costs through a charge on their utility bills with the energy savings from the upgrade covering most, if not all, of the cost of the loan. After the loan is repaid, consumers will save hundreds of dollars annually.

To receive a loan under the Rural Star program, a consumer would have to conduct an energy audit to determine the impact of the proposed energy efficiency measures on their energy costs and consumption. Recipients would have to be able to repay the loan, and could not also receive assistance under the Home Star program.

This program will boost demand for energy efficient products, materials, and construction and installation services that are made in America and is expected to create between 20,000-40,000 jobs per year.

The Rural Energy Savings Act is part of the "Make it in America" national manufacturing strategy to create the high-skill, high-wage jobs of the future-promoting American competitiveness, innovation, and exports. The strategy also includes:

- Closing tax loopholes that encourage corporations to outsource U.S. jobs overseas;
- Providing hometown tax credits to help small businesses hire new employees and sell their products and innovation overseas;
- Boosting incentives to create American clean energy jobs like making state-of-the-art wind turbines and solar panels;

- Strengthening rules that U.S. and its contractors buy products made in America, especially to build transportation, energy, and communications infrastructure;

- Demanding that China and other countries honor fair trade principles or lose American business;

- Giving incentives to hire and re-train America's returning veterans for new clean energy jobs; and,

- Strengthening partnerships with businesses to retrain America's workers for jobs of the future.

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